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December 12, 2005

2003-386-E

SC PUBLIC SERVICE
COMMISSION

2005 DEC 12 AM 11:59

RECEIVED

Mr. Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Petition of the Office of Regulatory Staff to Establish Dockets to Consider
Implementing the Requirements of: Section 1252 (Smart Metering) of the
Energy Policy Act of 2005
PSC Docket No.:

Enclosed for filing please find the original and fifteen (15) copies of the Petition of the
Office of Regulatory Staff to Establish Dockets to Consider Implementing the
Requirements of: Section 1252 (Smart Metering) of the Energy Policy Act of 2005.

Please date stamp the one extra copy for our office and return it to me via our courier.

Please let me know if you have any questions.

Sincerely,

Nanette S. Edwards

NSE/pjm
Enclosures

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

**In Re: Petition to Establish Docket to
Consider Implementing the
Requirements Of:**

**Section 1252 (Smart Metering),
of the Energy Policy Act Of 2005**

Docket No. 2005-386-E

**PETITION TO ESTABLISH DOCKET TO FULFILL THE STATE REQUIREMENTS
OF THE ENERGY POLICY ACT OF 2005**

The Office of Regulatory Staff, ("ORS"), pursuant to S.C. Code Regs. 103-836, respectfully requests that the Public Service Commission of South Carolina (the "Commission") convene a docketed proceeding to consider and, if appropriate, implement Section 1252 of the Energy Policy Act of 2005, ("EPAct"). S.C. Code Regs. 103-836, provides that petitions for relief may be filed with the Commission. In support of this Petition, ORS states as follows:

PARTIES

1. The Office of Regulatory Staff ("ORS") is a state agency charged by law with the duty to represent the public interest of South Carolina pursuant to S.C. Code § 58-4-10 (B) (added by Act 175). S.C. Code § 58-4-10(B)(1) through (3) read in part as follows:

... 'public interest' means a balancing of the following:

- (1) concerns of the using and consuming public with respect to public utility services, regardless of the class of customer;
- (2) economic development and job attraction and retention in South Carolina; and
- (3) preservation of the financial integrity of the state's public utilities and continued investment in and maintenance of utility facilities so as to provide reliable and high quality utility services.

2. The authorized representatives for ORS for this proceeding are:

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Pleadings, briefs, correspondence, and other documents in this proceeding should be served upon the authorized representatives.

DISCUSSION

3. On August 8, 2005, President Bush signed the EAct. The EAct requires state commissions, with respect to each electric utility for which the state commission has ratemaking authority to consider certain standards to encourage better utilization of energy resources.

4. Section 1252 entitled 'Smart Metering' requires the Commission within eighteen (18) months of the passage of the EAct (by March 8, 2007) to conduct an investigation and issue a decision as to whether it is appropriate to implement the standards set forth in subparagraphs (A) and (C). (See Section 111(d)(14)(A) and (C)).

Smart metering is equipment and information that allows a consumer to monitor the cost and usage of electricity consumed. The Commission is required to make a determination regarding whether it is appropriate to require each electric utility to provide and install time-based meters

and communications devices for each of their customers which enable such customers to participate in time-based pricing rate schedules and other demand response programs. The types of time-based rate schedules that may be offered, among others, include: (i) time-of-use pricing, (ii) critical peak pricing, (iii) real-time pricing, and (iv) credits for consumers who enter into pre-established peak load reduction agreements. Excluding those standards set forth in subparagraphs (A) and (C) which must be completed within eighteen months, within one year of enactment (by August 8, 2006), the Commission must begin such consideration of the standard described in Section 111(d)(14)(B) and complete such consideration within two years of enactment (by August 8, 2007). However, if the Commission has considered or implemented the standards or comparable standards described in Section 1252 or the state legislature voted on the implementation of such standards or comparable standards within the previous three years, then no action is required by the Commission.

5. While the electric utilities in South Carolina offer time-based rate schedules, Section 1252 requires the Commission to consider whether smart metering must be implemented for all customer classes. ORS recommends that the Commission open a proceeding and solicit comments as to whether the requirements of Section 1252 are necessary and/or whether the requirements of Section 1252 have already been met.

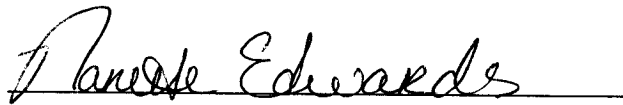
6. Congress designated this Commission as the authority required to consider the standards set forth in Section 1252 of the EPAct.

CONCLUSION

7. ORS respectfully requests that the Commission initiate a proceeding consistent with Section 1252 of the EPAct for those utilities over which this Commission has ratemaking authority. Additionally, ORS requests that the Commission issue a procedural order soliciting comments regarding Section 1252 and whether the current time-based rate schedules offered by the utilities meet the requirements of Section 1252.

Submitted this 12th day of December, 2005

OFFICE OF REGULATORY STAFF



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